

Identifying Stakeholders and Significant Aspects

In order to communicate with different stakeholders effectively, we have initiated materiality analysis procedures since 2010. From 2014, the scope and boundary of identifying aspects were included by referring to GRI G4. The key steps are shown as follows:

Step 1 : Identify stakeholders

This is mainly performed by Wistron's Corporate Sustainability and Social Responsibility (CS²R) Promotion Committee. We refer to the five principles used to identify the stakeholders by AA1000 SES (Stakeholder Engagement Standards) (2011), including dependency, responsibility, influence, diverse perspectives and tension. Based on the average weight on each principle, the stakeholders are classified into eight groups in total, including customers, employees, shareholders/investment institutions, suppliers, government units, non-profit organizations/communities, media and others.

Step 2 : Establish communication objectives

"Sustainability, innovation, and humanity" is the main axis and essence emphasized and delivered by Wistron under the corporate philosophy of "altruism." It upholds the belief that "benefiting others is benefiting us sustainably." We practice and cultivate each level of sustainability, co-existence, innovative value, and humanistic care in our practical actions and reports.

Step 3 : Collect sustainability issues

Utilizing various aspects of GRI G4 indexes as the foundation, we have added important communication issues over the past years to form the scope of sustainability issues in Wistron.

Step 4 : Conduct materiality analysis and determine priorities
We conduct materiality questionnaire survey with identified stakeholders. A total of 189 questionnaires were collected in 2016, which were used to understand the concerns of the above stakeholders toward each issue. For the same issue, the questionnaire survey is also conducted among the committee members and internal participants. The impact on the company's operations is determined by taking the economic, environmental, and social dimensions into consideration.

Step 5 : Identify the scope and boundary of aspects

The organization shall completely include all aspects of the value chain covered by Wistron based on its activities, products, services and whether the relationship-related impacts occur internally or externally.

Step 6 : Review and discussion

After the materiality analysis results, the Report Compiling Team will conduct a discussion to determine the sustainability issues that should take priority for disclosure.



Boundary Identification of Aspects

Category	Significant Aspect	Chapter in 2016 CS ² R Report	Boundary															
			Within the Organization											Outside of the Organization				
			Taiwan			Mainland China						Overseas		Suppliers/Contractors	Customers	Communities Nearby		
			Neihu Headquarter	Hsichih Office Complex	Hsinchu Plant	Kunshan Plant	Kunshan OPT Plant	Taizhou Plant	Zhongshan Plant	Chongqing Plant	Chengdu Plant	Czech Plant	Mexico Plant					
Economic	Economic Performance	Economic Performance	V	V	V	V	V	V	V	V	V	V	V	V				
	Market Presence	Local Hiring	V	V	V	V	V	V	V	V	V	V	V	V	V	V		
	Procurement Practices	Conflict Minerals and Supply Chain Management	V	V	V	V	V	V	V	V	V	V	V	V	V			
Environmental	Materials	Materials Management	V	V	V	V	V	V	V	V	V	V	V	V	V	V		
	Energy	Energy and Greenhouse Gas Emission Management	V	V	V	V	V	V	V	V	V	V	V	V	V	V		
	Emission		V	V	V	V	V	V	V	V	V	V	V	V			V	
	Water	Water Resource Management	V	V	V	V	V	V	V	V	V	V	V	V			V	
	Effluents And Waste	Waste and Effluents Management	V	V	V	V	V	V	V	V	V	V	V	V			V	
	Transportation	Transportation	V	V	V	V	V	V	V	V	V	V	V	V	V	V		
	Biodiversity	Biodiversity	V	V	V	V	V	V	V	V	V	V	V	V			V	
	Compliance	Environmental Management and Legal Compliance	V	V	V	V	V	V	V	V	V	V	V	V	V			V
	Overall	Expenditure and Benefits Associated with Environmental Protection	V	V	V	V	V	V	V	V	V	V	V	V				
	Products And Services	Sustainable Product Design and Development	V	V	V	V	V	V	V	V	V	V	V	V	V	V		

Boundary Identification of Aspects

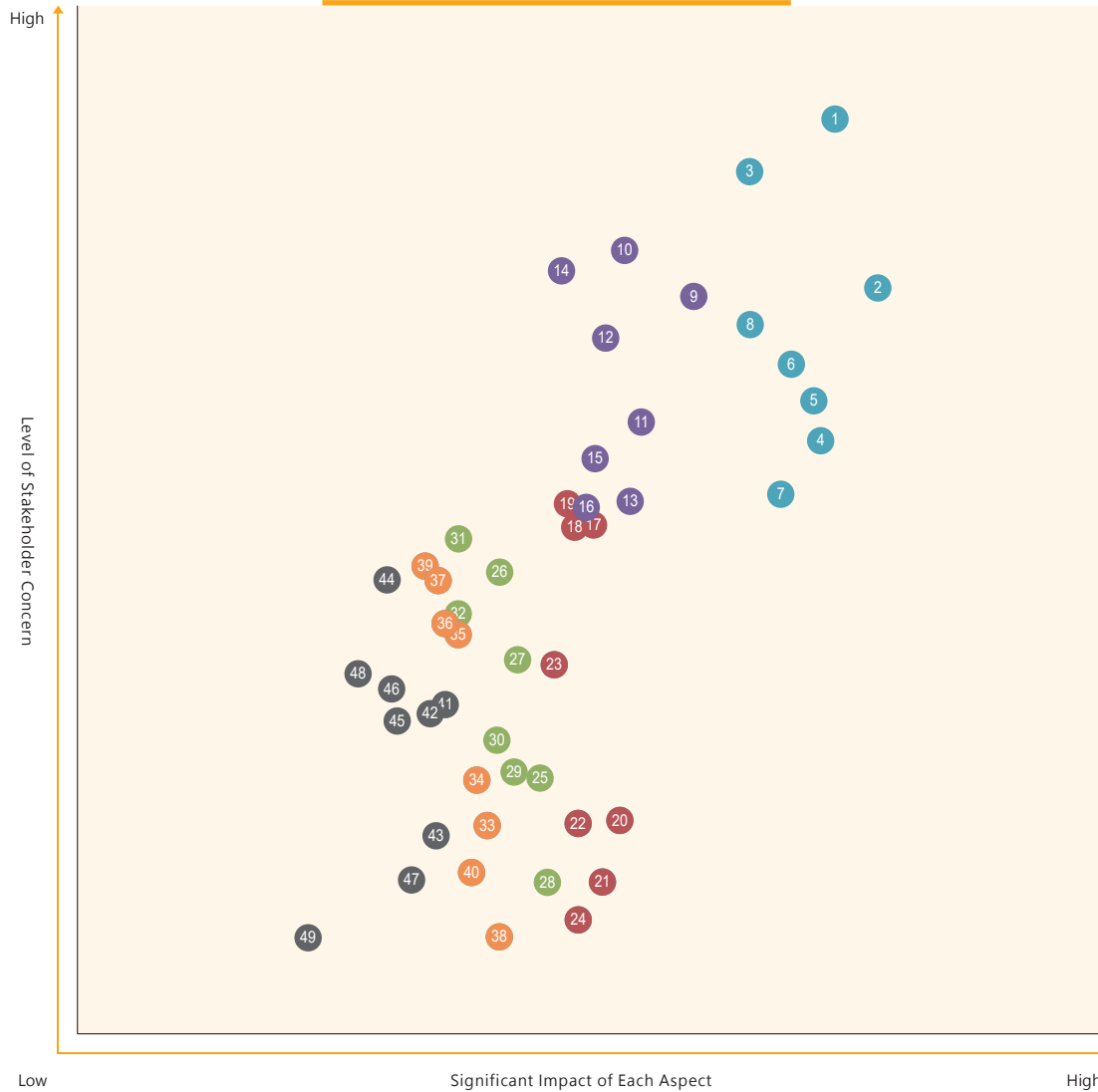
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Environmental	Supplier Environmental Assessment	Conflict Minerals and Supply Chain Management	V	V	V	V	V	V	V	V	V	V	V	V	V		
	Environmental Grievance Mechanisms	Environmental Management and Legal Compliance	V	V	V	V	V	V	V	V	V	V	V	V			
Social	Employment	New Hire and Turnover Management	V	V	V	V	V	V	V	V	V	V	V				
	Labor/Management Relations	Valuing Internal Communication Channel to Listen to Employees' Voices	V	V	V	V	V	V	V	V	V	V	V				
	Occupational Health And Safety	Staff Health and Occupational Safety	V	V	V	V	V	V	V	V	V	V	V				
	Training And Education	Talent Cultivation and Career Development	V	V	V	V	V	V	V	V	V	V	V				
	Diversity and Equal Opportunity	Workforce Diversity	V	V	V	V	V	V	V	V	V	V	V				
	Equal Remuneration for Women and Men	Employment and Compensation Policies	V	V	V	V	V	V	V	V	V	V	V				
	Non-discrimination	Social Responsibility Management	V	V	V	V	V	V	V	V	V	V	V				
	Freedom Of Association And Collective Bargaining	Valuing Internal Communication Channel to Listen to Employees' Voices	V	V	V	V	V	V	V	V	V	V					

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Social	Child Labor	Child Labor and Underage Workers	V	V	V	V	V	V	V	V	V	V	V	V	V	V
	Forced or Compulsory Labor	Forced or Compulsory Labor	V	V	V	V	V	V	V	V	V	V	V	V	V	V
	Anti-corruption	Anti-corruption and Principle of Integrity	V	V	V	V	V	V	V	V	V	V	V	V	V	V
	Public Policy	Public Policies	V	V	V	V	V	V	V	V	V	V	V	V		
	Compliance (Social)	Compliance	V	V	V	V	V	V	V	V	V	V	V	V		
	Customer Health And Safety	Sustainable Product Design and Development	V	V	V	V	V	V	V	V	V	V	V	V		V
	Products And Service Labeling	Sustainable Product Design and Development	V	V	V	V	V	V	V	V	V	V	V	V		V
	Customer Privacy	Protecting Customer Confidentiality	V	V	V	V	V	V	V	V	V	V	V	V		V
	Compliance (Product Responsibility)	A Focus on Product Liability	V	V	V	V	V	V	V	V	V	V	V	V		V
Other	Product Development	Creating Added-Value Products	V	V	V	V	V	V	V	V	V	V	V	V		V
	New Business Development	New Business Development	V	V	V	V	V	V	V	V	V	V	V	V		V
	Information Management	Information Management	V	V	V	V	V	V	V	V	V	V	V	V		
	Social Participation and Care	Social Participation and Care; Wistron Foundation	V	V	V	V	V	V	V	V	V	V	V	V		V

[Note] "V" indicates that this aspects is covered in the site

Significant Aspect Analysis



- 1 Economic Performance
- 2 Energy
- 3 Market Presence
- 4 Compliance
- 5 Effluents and Waste
- 6 Emission
- 7 Overall
- 8 Water
- 9 Materials
- 10 Indirect Economic Impacts
- 11 Products and Services
- 12 Biodiversity
- 13 Supplier Environmental Assessment
- 14 Procurement Practices
- 15 Transport
- 16 Labor/Management Relations
- 17 Environmental Grievance Mechanisms
- 18 Occupational Health and Safety
- 19 Employment
- 20 Compliance(Society)
- 21 Product Development
- 22 Customer Health and Safety
- 23 Child Labor
- 24 New Business Development
- 25 Anti-corruption
- 26 Equal Remuneration for Women and Men
- 27 Forced or Compulsory Labor
- 28 Compliance(Product Responsibility)
- 29 Anti-competitive Behavior
- 30 Local Communities
- 31 Training and Education
- 32 Investment
- 33 Supplier Assessment for Impacts on Society
- 34 Public Policy
- 35 Freedom of Association and Collective Bargaining
- 36 Non-discrimination
- 37 Labor Practices Grievance Mechanisms
- 38 Social Participation and Care
- 39 Diversity and Equal Opportunity
- 40 Customer Privacy
- 41 Human Rights Grievance Mechanisms
- 42 Supplier Human Rights Assessment
- 43 Grievance Mechanisms for Impacts on Society
- 44 Supplier Assessment for Labor Practices
- 45 Assessment
- 46 Indigenous Rights
- 47 Product and Service Labeling
- 48 Security Practices
- 49 Information Management

Table of Stakeholders' Communication Methods and Frequency

Stakeholder		Issues	Communication Method	Communication Frequency
Customers	<ul style="list-style-type: none"> Existing brand customers Potential customers 	<ul style="list-style-type: none"> Management of restricted materials Green product Product quality/price/delivery time R&D/project capacity Supply chain Innovative products 	<ol style="list-style-type: none"> Regular business reviews with key customers Customer satisfaction surveys and feedback Customer audits and customer questionnaire responses Meeting customer requirements and requests for improvement on environmental and social responsibility Communicating requirements for innovative products 	<ol style="list-style-type: none"> Quarterly or semi-annually Quarterly or semi-annually According to customer requirements According to customer requirements According to customer requirements
Employees	<ul style="list-style-type: none"> Regular employees Contracted employees Dispatched workers 	<ul style="list-style-type: none"> Regulation compliance Honest operation/ integrity Human rights Working condition Study and growth Health and safety 	<ol style="list-style-type: none"> Quarterly business briefings held by company management to communicate directly with employees. Set up welfare committee in Taiwan offices, which holds meetings every quarter. The members make resolution and execution on the activity plans and budget. Labor meeting (Tomato Meeting): Employees can communicate through internal channels such as the company website, or express their opinions and suggestions to employee representatives at the "Tomato Meeting." Representatives communicate with management directly. Training of new supervisors New employee satisfaction survey, freshmen training and workshop One-on-one interviews with managers. Performance communication. 	<ol style="list-style-type: none"> Quarterly. Quarterly. Quarterly. Quarterly. It depends on the number of new supervisors. The new employee satisfaction survey is conducted one week later after their registration. New employee Forum is hosted twice a year Monthly Twice a year
Shareholders/ Investment Organization	<ul style="list-style-type: none"> Ordinary shareholders Entity shareholders Rating organizations Finance and insurance organizations 	<ul style="list-style-type: none"> Industrial outlook · company Competitiveness and future growth potential Profitability and dividend policies Stock value Corporate governance risk management Information disclosure transparency CSR re-investment 	<ol style="list-style-type: none"> Investor conferences Annual shareholder meetings Online investor conferences Road shows 	<ol style="list-style-type: none"> More than one hundred times every year Once every year Once or twice every year Approximately one to five times every year
Suppliers	<ul style="list-style-type: none"> Key component suppliers Raw material suppliers Subcontractors 	<ul style="list-style-type: none"> Compliance with laws and regulations Working environment and health Price competitiveness Stable supply Technical capability 	<ol style="list-style-type: none"> The suppliers initiate workshops and annual conferences Supplier consultation and auditing. Cooperate with suppliers aiming at issues related to CSR and greenhouse gases. Discussion about EICC on related issues 	<ol style="list-style-type: none"> Once every year Once every year Once every year Once every year

Table of Stakeholders' Communication Methods and Frequency

Stakeholder		Issues	Communication Method	Communication Frequency
Government units	<ul style="list-style-type: none"> Securities competent authorities 	<ul style="list-style-type: none"> Operating effects and efficiency Reports are reliable, timely, transparent and in conformation to the related norms Compliance with the related legislations 	<ol style="list-style-type: none"> Company websites Information disclosure on the Market Observation Post System (containing CSR reports) Questionnaires and related briefings Participating in competent authorities' promotion councils Reporting to the Market Observation Post System 	<ol style="list-style-type: none"> Non-scheduled Non-scheduled Non-scheduled Non-scheduled Non-scheduled
Non-Profit Organizations/ Communities	<ul style="list-style-type: none"> Conservation association Environmental organization Foundations, charity groups Community groups 	<ul style="list-style-type: none"> Environmental protection. Conservation of nature and habitat Management of energy and water resources. Management and recycling of wastes. Development of cultural and diversified education Society and community engagement 	<ol style="list-style-type: none"> Disclosing related information in annual reports and company/foundation websites Foundation and corporation volunteers participate in environmental/nature protection activities and events for caring the economically disadvantaged children. The company and employees take part in public activities 	<ol style="list-style-type: none"> Once every year Non-scheduled 3-1. Setting up a public area on the company website; participating in domestic public welfare donations and charity sale twice a month 3-2. Non-scheduled, holding internal company charity events or participating external activities.
Media	<ul style="list-style-type: none"> Mass media Digital media 	<ul style="list-style-type: none"> Operating performance Products innovation and technical development Corporate governance Environmental protection Sustainable development strategy 	<ol style="list-style-type: none"> News release Shareholders meeting Online investor conferences Press conference Company website 	<ol style="list-style-type: none"> Non-scheduled Once every year 1~2 times on average every year Non-scheduled Non-scheduled
Others	<ul style="list-style-type: none"> Directors Independent directors Consultants 	<ul style="list-style-type: none"> Operating performance Sustainable development Core competitiveness 	<ol style="list-style-type: none"> Board meeting Audit Committee meeting Meeting on operating projects 	<ol style="list-style-type: none"> At least six times every year At least four times every year Non-scheduled